

OFFICE OF  
INSURANCE COMMISSIONER

In the Matter of

FREE METHODIST FOUNDATION,

No. G 2004-82

ORDER SUSPENDING  
CERTIFICATE OF EXEMPTION NO. 12

To: Steven D. Rick, General Counsel  
Free Methodist Foundation  
Post Office Box 580  
Spring Arbor, Michigan 49283

**IT IS ORDERED** and you are hereby notified that pursuant to RCW 48.38.050 Certificate of Exemption No. 12 issued to you to issue charitable gift annuities is hereby **SUSPENDED** effective October 27, 2004, until further notice by the Insurance Commissioner, or for a period of one (1) year, whichever comes first.

This suspension is applicable to the sale, solicitation, or issuance of any new charitable gift annuities in the State of Washington. Provided, however, FREE METHODIST FOUNDATION shall remain fully obligated: (1) under its charitable gift annuities in force, and authorized to administer said annuities as well; and (2) to comply with all other provisions of Chapter 48.38 RCW, including but not limited to, reporting requirements and payment of annual and other fees.

**THIS ORDER IS BASED UPON THE FOLLOWING:**

Free Methodist Foundation failed to maintain a surplus of ten percent in the separate reserve account, which is a violation of RCW 48.38.020(3)(c).

Chapters 48.04 and 34.05 RCW provide FREE METHODIST FOUNDATION the right to demand a hearing on this order.

SIGNED AND ENTERED this 27th day of October, 2004.

A handwritten signature in blue ink, appearing to read "Michael G. Watson".

Michael G. Watson  
Chief Deputy Insurance Commissioner